

Procurement of wheat

3251. SHRI MAHENDRA MOHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are aware that private companies are buying aggressively wheat from the open market at the much higher rate of MSP and the price of wheat has risen to about Rs. 975 per quintal;

(b) if so, how Government would ensure adequate procurement from the farmers at lower rate and whether Government would further raise the MSP to compete with the private companies; and

(c) what procurement target Government have fixed and how much yield is likely to be available in this season?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir.. As per the information received in this Department Mandi Prices as on 1st May, 2007 in major mandis ranged between Rs. 850-890 per quintal.

(b) The Government has already given an incentive bonus of Rs. 100 per quintal over and above the Minimum Support Price (MSP) for wheat procured in RMS 2007-08. There is no proposal to further raise the MSP and incentive bonus for purchase of wheat in Rabi Marketing Season (RMS) 2007-08. The steps taken by the Government to enhance procurement of wheat are given in Statement. [Refer to the Statement appended to the Answer to Unstarred Question 3247 (c)and(d)]

(c) Since procurement of foodgrains under MSP operations carried out by Government agencies is open-ended, no targets are fixed. However, based on estimates given by State Food Secretaries before the start of the Rabi Marketing Season (RMS) 2007-08 the procurement of wheat in RMS 2007-08 is estimated at 151.5 lakh tonnes. As per the third advance estimate given by the Department of Agriculture & Cooperation the production of what crop in the year 2006-07 (to be marketed in RMS 2007-08) is estimated at 73.7 million tonnes